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Chile

Stone Fruit

Annual

2007

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Report Highlights:
Chile's production estimates for stone fruits are down again when compared to last year's output. Adverse weather conditions affected all stone fruit output except for cherries. A significant increase in newly planted area starting production will offset the estimated fall due to adverse weather conditions for cherries.

Includes PSD Changes: Yes
Includes Trade Matrix: Yes
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General Summary

Chilean production of apricots, plums and peaches & nectarines are expected to fall again as large production areas were affected by adverse weather. Mild temperatures and limited cold hours affected budding adversely and rain together with frost in early spring in important production areas will lower production for a third year in a row. Although these adverse weather conditions also affected cherry production in certain areas, total output of cherries is estimated to increase as a significant amount of newly planted area is coming into production.

Apricots

Production

Total apricot planted area has remained stable during the last few years. Uprooting of old orchards has been compensated by small increases in planted area. Most new plantings are replacing older orchards or less acceptable varieties with newly developed ones. This trend is expected to continue, as indicated by industry sources, as most varieties planted in Chile (i.e. Tilton, Katy, Dina, Modesto) are not considered to be good for the export market. Most of these varieties have a short shelf live and are not resistant for ocean transport. Almost all apricots are exported by airfreight; these compete for space on airplanes with many other high value products, mainly cherries and fresh salmon. Currently only 10 percent of apricot production is exported fresh. Weather and the alternate bearing effect are important factors that affect yearly output.

Chilean apricot production was again affected by adverse weather conditions. As a result of mild temperatures during last winter (May-Aug. 2006) which reduced the number of cold hours affecting budding adversely and unusual rain during spring in some important production areas affected apricot production for a third year in a row.

Consumption

Most (over 50%) fresh apricots are destined for the processing industry (drying, juice and jams). Domestic fresh consumption also takes a large percentage (35%) of the production.

Trade

The US is by far the largest export market for fresh apricots, followed by Mexico and Brazil. No mayor changes are expected in the coming season.

PSD Table									
Country	Chile								
Commodity	Fresh Apricots						(HA)(1000 TREES)(MT)		
	2005	Revised		2006	Estimate		2007	Forecast	
	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New
Market Year Begin		01/2006	01/2006		01/2007	01/2007		01/2008	01/2008
Area Planted	2023	2023	2023	2023	2023	2023	0	0	2023
Area Harvested	1910	1910	1910	1915	1915	1915	0	0	1917
Bearing Trees	718	718	718	720	720	720	0	0	722
Non-Bearing Trees	42	42	42	40	40	40	0	0	38
Total Trees	760	760	760	760	760	760	0	0	760
Commercial Production	25500	25500	25500	27000	27000	25000	0	0	25000
Non-Comm. Production	500	500	500	500	500	500	0	0	500
Production	26000	26000	26000	27500	27500	25500	0	0	25500
Imports	0	0	0	0	0	0	0	0	0
Total Supply	26000	26000	26000	27500	27500	25500	0	0	25500
Fresh Dom. Consumption	9600	9600	9248	9800	9800	9100	0	0	9100
Exports, Fresh	2000	2000	2647	2850	2850	2647	0	0	2500
For Processing	14400	14400	14105	14850	14850	13753	0	0	13900
Withdrawal From Market	0	0	0	0	0	0	0	0	0
Total Distribution	26000	26000	26000	27500	27500	25500	0	0	25500

Export Trade Matrix			
Country	Chile		
Commodity	Fresh Apricots		
Time Period	Jan-Dec	Units:	M.T.
Exports for:	2005		2006
U.S.	1584	U.S.	1828
Others		Others	
Mexico	422	Brazil	171
Brazil	142	Argentina	126
Spain	74	Spain	108
France	56	Netherlands	78
Argentina	53	Mexico	68
Italy	42	U.K.	54
Peru	33	Canada	48
Netherlands	32	France	41
Costa Rica	8	Italy	25
El Salvador	7	Venezuela	23
Total for Others	869		742
Others not Listed	42		77
Grand Total	2495		2647

Fresh Plums

Production

As with apricots, plantings and output of plums are not expected to increase in the coming years. Declining economic returns during the last few years have resulted in uprooting of old low producing orchards. Over 36 plum varieties are planted in Chile. The Friar, Angelo, Larry Ann, Black Ambar and Laroda are the most popular varieties that cover over 50 percent of the total planted area. As a result of the introduction of new varieties, the harvest and export season have now expanded to include a period of more than six months, compared to only a two-month season in the past. An estimated 57 percent of the total planted area to plums and prunes are the fresh consumption varieties. The remainder is accounted for by varieties suitable only for dried prune production.

Although plums are more resistant to adverse weather than other stone fruits, total output was affected again by adverse climatic conditions that reduced almost all stone fruit production, except cherries. For the 2006 production season, output fell more than initially expected. Mild temperatures again during the winter months (May-Aug. 2006) and limited cold hours which affected budding and rain during late spring and early summer in some important production areas affected total plum production for a third year in a row. Exports also are expected to fall accordingly.

Trade

The US is the main export market for fresh plums followed by the EU and China (Hong Kong).

PSD Table									
Country	Chile								
Commodity	Fresh Plums & Prunes						(HA)(1000 TREES)(MT)		
	2005	Revised		2006	Estimate		2007	Forecast	
	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New
Market Year Begin		01/2006	01/2006		01/2007	01/2007		01/2008	01/2008
Area Planted	8250	8250	8250	8200	8200	8200	0	0	8200
Area Harvested	7100	7100	7100	7100	7100	7100	0	0	7150
Bearing Trees	5538	5538	5538	5538	5538	5538	0	0	5577
Non-Bearing Trees	897	897	897	858	858	858	0	0	819
Total Trees	6435	6435	6435	6396	6396	6396	0	0	6396
Commercial Production	124000	124000	115000	142000	142000	114000	0	0	115000
Non-Comm. Production	500	500	500	500	500	500	0	0	500
Production	124500	124500	115500	142500	142500	114500	0	0	115500
Imports	0	0	0	0	0	0	0	0	0
Total Supply	124500	124500	115500	142500	142500	114500	0	0	115500
Fresh Dom. Consumption	29500	29500	30000	31000	31000	30000	0	0	30000
Exports, Fresh	90800	90800	80156	108000	108000	79000	0	0	80000
For Processing	4200	4200	5344	3500	3500	5500	0	0	5500
Withdrawal From Market	0	0	0	0	0	0	0	0	0
Total Distribution	124500	124500	115500	142500	142500	114500	0	0	115500

Export Trade Matrix			
Country	Chile		
Commodity	Fresh Plums & Prunes		
Time Period	Jan-Dec	Units:	M.T.
Imports for:	205		206
U.S.	38414	U.S.	29864
Others		Others	
Netherlands	11450	Netherlands	9018
U.K.	9150	U.K.	7037
Hong Kong	5830	Hong Kong	6640
Brazil	4883	Brazil	4027
Taiwan	4434	Mexico	3918
Mexico	4248	Spain	3674
Spain	4005	Taiwan	3403
Peru	2074	Peru	1416
Italy	1200	Italy	1295
Colombia	1108	Colombia	1089
Total for Others	48382		41517
Others not Listed	8229		8775
Grand Total	95025		80156

Fresh Peaches and Nectarines

Production

Total planted area to peaches and nectarines has remained stable during the last few years. New plantings are replacing older orchards and/or replacing old, less acceptable varieties with newly developed ones.

There are over 36 varieties of peaches for fresh consumption and another 36 varieties of nectarines grown and exported from Chile. Peach and nectarine varieties often become obsolete because of changing consumer tastes, even sometimes before trees begin bearing fruit. This, together with high fluctuations in prices during the last few seasons and diminishing returns, likely will prevent any increase in total planted area or production in the long term. However, some expansion of output could be expected in the next few years as orchards reach mature stages of production and as new plantings, which replace aging ones, are undertaken with higher yielding varieties.

However, in general output variations are mainly the result of changing weather conditions. Some varieties also are affected by yearly alternate bearing effect.

For this season (2007), production is estimated to fall again slightly. Mild temperatures during last winter (May-Aug. 2005) and limited cold hours affected budding adversely and rain in the most important production areas in spring and early summer affect production mainly of peaches. Exports also are expected to fall accordingly.

Consumption

A large percentage of the total peach and nectarine production is consumed as fresh fruit (40%). There is no breakdown on the volume of clingstone versus freestone production or consumption in Chile. Like most fresh fruit consumption in Chile, domestic consumption of peaches and nectarines is mainly lower quality fruit that does not make it to the export market.

Trade

Over 60 percent of Chile's total peach and nectarine exports are bound for the United States. Latin America is the second largest export market. The relatively short shelf life of peaches and nectarines is the major factor influencing the search for nearby markets.

PSD Table									
Country	Chile								
Commodity	Fresh Peaches & Nectarines						(HA)(1000 TREES)(MT)		
	2005	Revised		2006	Estimate		2007	Forecast	
	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New
Market Year Begin		01/2006	01/2006		01/2007	01/2007		01/2008	01/2008
Area Planted	12300	12300	12300	12300	12300	12300	0	0	12300
Area Harvested	8700	8700	8700	8750	8750	8750	0	0	8750
Bearing Trees	5872	5872	5872	5906	5906	5906	0	0	5910
Non-Bearing Trees	2432	2432	2432	2398	2398	2398	0	0	2394
Total Trees	8304	8304	8304	8304	8304	8304	0	0	8304
Commercial Production	168000	168000	168000	190000	190000	166000	0	0	168000
Non-Comm. Production	1000	1000	1000	1000	1000	1000	0	0	1000
Production	169000	169000	169000	191000	191000	167000	0	0	169000
Imports	0	0	0	0	0	0	0	0	0
Total Supply	169000	169000	169000	191000	191000	167000	0	0	169000
Fresh Dom. Consumption	72050	72050	70050	76000	76000	70000	0	0	71000
Exports, Fresh	95000	95000	96898	113000	113000	95000	0	0	96000
For Processing	1950	1950	2052	2000	2000	2000	0	0	2000
Withdrawal From Market	0	0	0	0	0	0	0	0	0
Total Distribution	169000	169000	169000	191000	191000	167000	0	0	169000

Export Trade Matrix			
Country	Chile		
Commodity	Fresh Peaches & Nectarines		
Time Period	Jan-Dec	Units:	M.T.
Exports for:	2005		2006
U.S.	69466	U.S.	60374
Others		Others	
Mexico	10859	Mexico	8799
Netherlands	5430	Brazil	4339
Brazil	4123	Taiwan	4238
Taiwan	3923	Netherlands	4146
U.K.	3575	U.K.	3062
Spain	3015	Spain	3045
Colombia	2454	Colombia	2483
Peru	607	Ecuador	1687
Germany	598	France	718
Hong Kong	527	Costa Rica	537
Total for Others	35111		33054
Others not Listed	4964		3470
Grand Total	109541		96898

Fresh Cherries

Production

As a result of the introduction of new varieties and the use of better and improved management technologies, cherry production area has expanded significantly both, in the north and the south. Producers, by introducing more weather resistant varieties and planting these further south have expended the production period. Since more than a third of the total planted area is currently in the forming and incremental stage of production, significant increases in output can be expected in the coming years. Industry sources predict production, and consequently, exports will double in volume in the next five years.

The main varieties planted continue to be Bing and Early Burlat. Among the main new-planted varieties are Lapins, Van, Stella and Summit. A total of over 70 varieties are planted in Chile.

The mild temperatures last winter and limited cold hours as well rain during spring that adversely affected other stone fruit production, affected cherries only to some degree. However, as significant areas of newly planted orchards are coming into production, an increase in total output is expected for 2007. Exports also are expected to grow accordingly.

Trade

The US is Chile's main fresh cherry export market. As production expands in the coming years, industry expects to increase exports to the EU and Japan. The EU import duty fell to zero in January of this year (2007) and an agreement with Japan will lower the current 8.5 percent duty in seven years to zero.

PSD Table									
Country	Chile								
Commodity	Fresh Cherries,(Sweet&Sour)						(HA)(1000 TREES)(MT)		
	2005	Revised		2006	Estimate		2007	Forecast	
	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New
Market Year Begin		01/2006	01/2006		01/2007	01/2007		01/2008	01/2008
Area Planted	7500	7500	7500	7800	7800	7800	0	0	8000
Area Harvested	3980	3980	3980	4170	4170	4170	0	0	5004
Bearing Trees	2112	2112	2112	2213	2213	2213	0	0	2656
Non-Bearing Trees	2388	2388	2388	2467	2467	2467	0	0	2144
Total Trees	4500	4500	4500	4680	4680	4680	0	0	4800
Commercial Production	36800	36800	39000	40000	40000	43500	0	0	46600
Non-Comm. Production	1000	1000	1000	1000	1000	1000	0	0	1000
Production	37800	37800	40000	41000	41000	44500	0	0	47600
Imports	0	0	0	0	0	0	0	0	0
Total Supply	37800	37800	40000	41000	41000	44500	0	0	47600
Fresh Dom. Consumption	11520	11520	11000	12000	12000	12000	0	0	12000
Exports, Fresh	18360	18360	22463	20000	20000	24700	0	0	27600
For Processing	7920	7920	6537	9000	9000	7800	0	0	8000
Withdrawal From Market	0	0	0	0	0	0	0	0	0
Total Distribution	37800	37800	40000	41000	41000	44500	0	0	47600

Export Trade Matrix			
Country	Chile		
Commodity	Fresh Cherries,(Sweet&Sour)		
Time Period	Jan-Dec	Units:	M.T.
Exports for:	2005		2006
U.S.	8852	U.S.	11633
Others		Others	
Taiwan	2633	Taiwan	2856
Brazil	1112	Hong-Kong	1531
China	1065	U.K.	1199
U.K.	1027	Brazil	957
Spain	683	Netherlands	939
Netherlands	558	Spain	857
France	364	Ecuador	320
Italy	312	France	301
Mexico	191	Italy	251
Ecuador	151	Mexico	248
Total for Others	8096		9459
Others not Listed	967		1371
Grand Total	17915		22463